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THE COMMERCIAL
CONDUCT
Of the PROVINCE of
NEW-YORK
CONSIDERED,
AND

The True Interest of that Colony attempted to be shewn.

In a LETTER to

The SOCIETY of ARTS, AGRICULTURE,
and OECONOMY.

“ I will make my Kingdom so rich, that there shall be Occasion neither of
“ Hospitals or Prisons.” AURENGZEBE.

Printed for the Benefit of the Society of Arts, Agriculture,
and Oeconomy, of New-York. 1767.



To the SOCIETY of ARTS, AGRICULTURE,
and OECONOMY.

GENTLEMEN,

TR A D E being always entered into with a View to Gain, but Experience has evinced that it has not answered that End in this Province; for notwithstanding that our Productions amount annually to a very considerable Sum, we have found Means not only to get rid of it, but also to have an immense Balance against us; the Distresses in consequence of which being taken by you into Consideration, and having proved that you follow a losing and ruinous Trade, this Situation of Affairs pointed out the only Means that could extricate and deliver you, which was to form yourselves into a Society to encourage Arts, Agriculture, and Oeconomy,
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the rapid Progress and Success of which has surpassed your most sanguine Expectations.

And as you are by this patriotic and noble Institution rearing to yourselves a Monument of Fame; permit me to endeavour to give Stability and Firmness to the Pedestal, in supporting your laudable Undertaking in the following Pages, with such poor Remarks and Reasoning as my Experience has furnished me with; and if they be found consistent with Truth, they claim your Patronage to render them as diffusive throughout the Province as in your Power; if otherwise, I desire they may be suppressed, since my Intention, I am sure, was not to propagate Error, but to remove it; and if I have failed in my Design, I at least have the Pleasure that I meant well, and to assure you that I am, with the greatest Respect,

GENTLEMEN,

Your most obedient

Humble Servant,

A Linen Draper.



T H E

COMMERCIAL CONDUCT, &c.

THE many Difficulties and Distresses that this Province labours under, our Prisons crowded with Debtors, the Estates of many selling by Execution from under their Feet, to satisfy very trifling Debts, and the Cries of all Ranks of People among us for Money, from whence such a Complication of Misery and Misfortune is derived to the unhappy Sufferers of this Province, is a Matter that I have thought worthy of Inquiry; as also to consider of, and to endeavour to point out, a Remedy for those Evils: But if I fail in the Attempt, I shall have the pleasing Testimony, that I wrote with a good Intention, being no other than that of serving my Country.

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First, then, I would observe, that it is generally laid down as a self-evident Proposition, that Trade is the Road to and Fountain of Riches. Of this very few among us ever so much as doubted, and therefore every Man that has it in his Power turns Merchant; but whether, in such their Commercial Pursuits, they serve themselves and their Country, or whether it has not a direct contrary Effect on both, is what I also mean to consider in the following Pages.

We have many Merchants among us whose Trade is altogether to *Europe*, from whence they import every Kind of its Manufactures, of which I have known above Forty Thousand Pounds Sterling arrive more than once in a single Ship from *London*; but, taking in all the Ports of *Great-Britain*, and those of foreign Countries, *New-York* has for several Years past received from Three to Four Hundred Thousand Pounds Sterling in *British* and *Asiatick* Manufactures annually. In this vast Importation the People rejoice, upon the same Principle that the *Portuguese* do, who think that their great Importation is a Mark of their great Riches; when it is Exports alone that makes a Country rich, and Imports that impoverish it. And that all our Bread and Flour, Beef and Pork, Horses, Lumber, Fur, &c. are not able to keep us out of Debt, I think every Merchant among us must be fully convinced of, or we should not be so many Hundred Thousands in Debt to *Great-Britain* as we are. And this is the Reason we are not able to keep any Money among us: for Silver and Gold imported for our Provisions cannot stay here, whilst there is so great a Balance against us in *England*, it not being made ours, and therefore is no Increase of our Wealth. The only way of keeping Silver and Gold among us, is by consuming less of Foreign Commodities than what our own Commodities amount to, for then, whatever the Balance is, it is certainly our own, and will stay

stay in the Province; but our Provisions, and other Produce, not being by any Means equal to our vast Imports, our Money must go; and this is the real and only Cause of the Distress which we labour under. But I will, with a little Variation, better illustrate this by a Quotation from Mr. *Locke*.

Let us suppose *Staten Island* one Farm, and that the Owner, besides what serves his Family, carries to *New-York*, Beef, Pork, Corn, Butter, Cheese, and Wool, all Commodities produced from his Farm, to the Value of One Thousand Pounds a Year; and for this brings home from *New-York*, in Rum, Sugar, Wine, Cloth, Silk, Muslin, and Tea, to the Value of Nine Hundred Pounds, and the remaining One Hundred Pounds in Money, it is evident he grows every Year One Hundred Pounds richer; but if the Owner be a better Husband, and, contenting himself with his native Commodities, buys no Rum, Silk, and Muslin, he will bring home Five Hundred Pounds yearly; and instead, as in the first Instance, of having saved in Ten Years One Thousand Pounds, he will now in the same Time have saved Five Thousand.

He dies, and his Son succeeds to the Estate; but being a fashionable Gentleman, he must have Claret and Madeira; he cannot drink his own Malt Liquor, but must have it from *England*; the Linen made of his own Flax is home-spun, he therefore cannot endure it, but supplies himself with that of *Holland* and *Ireland*. He cannot sleep in a Bed with his own Linen, or Stuff Furniture, but must have that of Chintz, which are more genteel; and nothing but a China Damask is fit for a Morning-Gown for him to wear. By this Means he soon spends the ready Money his Father had saved; the Produce of his
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Farm still goes to Market, and tho' it sells for a Thousand Pounds, that will not supply his luxurious Wants; he brings home Fifteen Hundred Pounds in Rum, Sugar, Spice, Raisins, Silk, and a great Variety of *India* Goods; he lives with the Appearance of Splendor, but grows every Year Five Hundred Pounds poorer; he is arrested, Judgment and Execution is awarded against him, his Farm is sold, and his Body shut up in a Prison.

The Conduct of a single Farmer and a Province in this respect differ no more than greater and less; for it is certain, as in the above Instance, that we may trade, and be busy, and grow poor by it, unless we regulate our Expences; but if the virtuous and provident Way of Living of our Ancestors, who were content with our native Conveniences of Life, without the costly Itch after the Materials of Pride and Luxury from Abroad, were brought in Fashion and Countenance among us, this alone would do more to keep and increase our Wealth, than all the Helps that Paper-Money can afford us. It is with a Province as with a Family, spending less than our Commodities will pay for, is the sure and only Way for us to grow rich; and when that is once seriously considered and set about, we certainly shall have no need of Paper-Money, our Commodities will soon bring us a Balance of Gold and Silver. But till this be done our Misfortunes will not only continue, but increase; for Money that is brought in among us for our Provisions, can stay by no other Means than by consuming fewer foreign Commodities; but by spending or consuming more than our Productions can pay for, brings on Poverty and Ruin.

Foreign Commodities, which by us ought to be looked upon as Luxuries, most certainly impoverish us, by being brought in; but that
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is the Fault of our Importation, and there the Mischief ought to be cured. Vanity and Luxury spend them, and our Merchants having imported and vended them, our Money must go to pay for them; but as that alone will not do, our Lands are every Day sold to make up the Deficiency.

The *Americans*, says Mr. *Locke*, who are rich in Land, are poor in all the Comforts of Life, whom Nature, having furnished as liberally as any other People with the Materials of Plenty, a fruitful Soil, apt to produce what ought to serve for Food, Raiment and Delight, yet for want of Improvement have not the Conveniencies we in *England* enjoy.

This he said of the Native Indians of *America*, who had never had the Opportunity of Knowledge, or the Use of Iron; but that *Britons*, who have transplanted themselves thither, and who carried with them Arts and Sciences, should not be able, in one of the most fertile Countries on the Globe, situated in the most desirable Climate under Heaven, whose very Forests abound with Natural Plenty, whose luxuriant Soil refuses not to yield any Fruits that its Owner demands, and is actually capable of every Production that any Part of the World is known to afford, and which in a great Measure Experience has demonstrated; for this we can venture to assert, that whatever has been introduced, either from *Europe*, or from under the Tropic, to that Continent, flourish there: That such a Country, then, should have Recourse to *Europe*, and even to some of the most despicable Corners of it, and through them to *Asia*, in order to clothe themselves, is such a Conduct of its Inhabitants, that a Stranger, unacquainted with these Facts, would pronounce it incredible. But would he not be

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astonished

astonished when he was told, that the Colonies of *North America* were near Five Millions (according to the best Calculation) in Debt to *Great Britain*, not only for *British* Goods, but for Silks, Chintz, Callico, Muslin, Tea, &c. from *Asia*, and even for Linen from *Silesia* and *Austria*, via *London*, *Hamburg*, and *Amsterdam*; Hemp, Diaper, and other Linen, through *England* from *Russia*, and even from *Arch-Angel*, when they have under their Feet a Country whose natural Fertility surpasses any in the World?

But they prefer ploughing the Ocean, from the Torrid to the Frigid Zone, rather than their Fields, and to supply a whole Kingdom with Flax-seed, and afterwards involve themselves in Debt to that very People for Linen; a People oppressed by their Lords for their Lands with extreme heavy Rents, whilst the *American* pays no Rent at all; but, notwithstanding this, they rather chuse to be in Debt, and to have their Land taken from them, than make their own Linen.

The Kingdom of *Scotland*, which is by no means famous for its Fertility, having found that their Imports greatly exceeded their Exports, and that in Consequence they grew poor, did so late as 1746 establish at *Edinburgh*, a British Linen Company, which in 1766 stamped for Sale Twelve Million Seven Hundred and Forty Six Thousand Six Hundred and Fifty Nine Yards of Linen of their own Manufactory; the Value of which was Five Hundred and Seventy Thousand Two Hundred and Twenty Seven Pounds Sterling. This they export, and which not only pays for their Foreign Wants, but leaves them a Balance. All this they have done in Twenty Years, tho'

tho' most of their Flax they buy from *Russia*, an Article which we have of our own.

Will not this great Example, as well as the much greater one from *Ireland*, animate every Friend of this Province to exert himself in the Deliverance and Salvation of his Country, by the Establishment of Manufactures, and in Earnest to set their Faces against the Importation of every Species of Foreign Linen and *Asiatick* Goods, as well as against those of any other Country that are hurtful to us? For Charity begins at Home; nor is it any Service we do *Great-Britain*, in taking her Luxuries, which we are unable to pay for.

But as to the great Staple of our mother Country, the Woollen Manufacture, those are useful Goods, and therefore a moderate Importation of them would be perhaps mutually beneficial, and she alone ought to have a Right to supply us, until we become wise enough to make our own; for that only can deliver us from our Distresses, and keep Silver and Gold among us; but Men being brought up to a Foreign Trade, they think there is no way to Fortune but that, and therefore to their Country's Ruin have and do import such immense Quantities of Goods, that they have thereby not only stripped us of every Farthing of our Money, but have reduced us to the greatest Distress; and tho' a few of them get rich by such pernicious Trade, they should remember that it is at the Expence and Ruin of the Province; for a Merchant may, and often does, get rich by a Trade that makes his Country poor. As a Proof of it we have only to look round us, to see some rolling triumphantly in their Coaches on the Profits gotten by a foreign Trade, out of the Unthinking and Unwary, whose Paternal Estates they have seized by the Law, and the Bodies

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of those who have none crowd our Prisons, which of late Years have been obliged to be enlarged, whilst the Din and Noise of Prosecutions even tire our Courts of Justice.

All these Evils are derived from no other Cause but that our Imports exceed our Exports, the Balance of which is the Cause of all our Calamity; for a Country, says *Montesquieu*, that constantly exports fewer Commodities than it receives, will soon find the Balance sinking. It will receive less and less, till, falling into extreme Poverty, it will receive none at all. But neither his Opinion, nor that of Mr. *Locke*, and both confirmed by our own Conviction that we follow a losing and destructive Trade to *Europe*, is sufficient to determine us to set ourselves in Earnest about curing the Evil, and thereby to prevent the total Ruin of our Country, many of whose unfortunate Inhabitants are prevailed on to buy the Toys and Trifles of other Countries, which they soon find themselves unable to pay for by any other Means than the Sale of the best Estates in the World, their Lands.

“ I will, said *Aurengzebe*, make my Kingdom so rich, that there shall be Occasion neither of Hospitals or Prisons.” This indeed was a Resolution becoming a good and a great Prince, who, tho’ he ruled over Realms burnt up by the Sun, in great Measure effected it.

Is it not then a Reproach to us, who are not only blessed with the finest Climate, but the most fertile Soil under Heaven, to have Occasion of either Hospitals or Prisons, in a Country whose Extension knows no Bounds? But our Distresses beginning to operate, they point out to us our mistaken Pursuits, we begin to be alarmed, and, in

in order to prevent and put a Stop to the Evils that an imprudent Foreign Trade has involved us in, what is the Remedy that we mean to apply? I answer, it is a Paper-Currency. This every Man is anxious about, and solicitous for, because they think it would be a sovereign Remedy for all their Evils; but in this I beg leave to differ from them, because I think the Remedy would be worse than the present Disease. My Reasons for thinking so are, That it carries no intrinsic Value, that it is exposed to Depreciation; but above all, if it be emitted by Way of Loan, the People, who are so extremely fond of Trade, will obtain such Paper on the Security of their Lands, which being set afloat, many of them, either for want of Experience, or Misfortune, would soon find themselves either without Land or Paper-Currency. Nor have I ever heard of a Man in *Europe* parting with a landed Estate in order to turn Merchant; but, on the contrary, Merchants always have a View to quit that uncertain Profession, in order to invest their Property in Lands. Emissions therefore of Paper-Currency appear to me to be the most mistaken and most fatal Measure that we can possibly take, and which will by no means remedy but increase our Evils. And in this Opinion I am supported by Mr. *Locke*, who says,

“ That a Law cannot give to Bills that intrinsic Value which the
 “ universal Consent of Mankind has given to Silver and Gold, which
 “ Writing cannot supply the Place of, because Bills are liable to
 “ unavoidable Doubt, Dispute, and Counterfeiting, and require
 “ other Proof to assure us that they are true and good Security than
 “ our Eyes or a Touchstone; and at best this Course of using
 “ Paper, if practicable, will not hinder us from being *poor*, but
 “ may be suspected of helping to make us so, by keeping us from
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" feeling our *Poverty*, which in Distress will be sure to find us
 " with greater Disadvantages."

This has been fatally experienced in most of the Colonies on the Continent, and *Europe* has by no means escaped the Evils of too much Credit given to Paper; witness the *South-Sea* Stock in *England*, Anno 1720, where though it was not a Tender, yet the Kingdom went into that Bubble to such a Degree, that it ruined near half the Nation; and the Year before, the famous Mr. *Laws* formed the *Mississippi* Company in *France*, where Billets de Banke, or Bank Notes, were emitted. The People, who had been told of Mines not inferior to those of *Potosi*, swallowed the gilded Bait, and paid in their Silver and Gold to the *Exchequer* for Stock or Bank-Notes, but in Nine Months Time they found themselves stripped of all their Money; in Exchange for which they had Paper, which depreciated to such a Degree, that, in a few Months, One Hundred Livres would purchase but Eight Livres in Silver. At present it is not worth a Farthing.

A precious Metal, therefore, says one of their Countrymen, ought only to represent the Value of all other Things; and in this all Nations have agreed, that Silver and Gold shall be the Sign of it, because it is durable, and little liable to be counterfeited.

But there are many People among us, who, being intoxicated with an Excess of Trade, say that the Trade of *England* is extended by the immense Emissions of Bank-Notes; and therefore, considering them as a Paper-Currency, alledge their Utility. To which I answer, 1st, That they are payable on Sight at the Bank in Gold or Silver, which for want of Ability is not proposed in the *American* Emissions; and, 2^{dly},

zdly, Altho' they are payable at Sight, I am far from thinking that they are of so great Use as is imagined. My Reason is, that People who are embarrassed, in consequence of their having over-traded themselves, and who are often on the Brink of Ruin, make promissory Notes, payable to their Friend, a Man of Credit. This he indorses, the Paper is taken to the Bank, and there discounted on the Credit of his Friend, whom he thereby plunges in the same Ruin with himself. Thus the Bank, which is continually discounting at 5 per C. *Annunum*, and which always takes Care to have a good Indorser: they, therefore, by this pernicious temporary Succour, are so far from giving Aid to the Adventurous and Enterprising, that, on the contrary, I think they contribute greatly to their Ruin.

Paper-Emissions therefore in *New-York* will not only have a similar Effect, but a much greater; for in *England*, if a Man possesses an hereditary Estate, and if he be apt to build Castles in the Air, they in their Fall will only overwhelm himself; but in his Ruin his Successor cannot be involved, the Estate remains entire, and goes to the next Heir. But this is not the Case in *New-York* and the other Colonies; for our Lands, by an Act of Parliament, are considered and put on the same Footing with Chattels. Thus, for the Mistakes and Transgressions of the Fathers, the Sons are visited and punished.

This Consideration alone ought to operate on our Minds, and the Minds of the Legislature, not to wish for an Emission of Paper-Currency, great Part of which would be invested to gratify a Trade of Luxury at the Expence of the only intrinsick valuable permanent Wealth in the Universe, our Lands, which will forever give us
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both Food and Raiment; and who on Earth has more? This is really and truly Riches, that will never depart from us; and this Opinion is confirmed by the ingenious Baron *Montesquieu*, who says, that is a bad kind of Riches which depends on Accident, (meaning Trade), and not on the Industry of a Nation, on the Number of its Inhabitants, and above all on the Cultivation of its Lands.

Great-Britain, since the Reign of *Henry* the Seventh, has had an increasing Trade; but whether it has done it any Good or not, I shall neither consider, nor take upon me to determine. But this I will venture to say, that the greatest part of the One Hundred and Forty Six Millions National Debt derives its Origin from Commercial Wars; and the Legislature has long been convinced, that it is possible to have too much Trade, and therefore have and are continually making Laws, to prevent the Importation of the Luxuries of *Europe*. And in this they are so determined, that the Silks of *France*, when seized, are burnt. But the Colonists not having it in their Power to prevent by Law the Importation of Luxuries, and useles Goods, or to impose any Duty on them, are therefore in a more particular Manner called on, for their own and their Country's Good, not to encourage their Importation, and thereby to avoid the Evils above described, and which not only this Province, but the whole Continent has fatally experienced.

Having thus considered, and, as I think, clearly shewn, that from our Imports infinitely exceeding our Exports is derived all our Calamities, and from which Paper-Money cannot deliver us; nor can they be removed by any other Means whatever; but that of establishing Manufactures, and for which we have almost every Material,

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such as Flax, Hemp, Leather, Fur, Iron, &c. But notwithstanding this we are poor, with a Profusion of natural Wealth in our Possession; our Conduct at present being very similar to that of *Great-Britain*, in the Reign of *Edward* the Sixth, when the Wool of *England* was sent to *Flanders*, there manufactured, and the Cloth returned and sold to the *English*, whose true Interest was not understood or pursued, till the Persecution in the Low Countries by the Duke *de Alva*; in Consequence of which Thousands of Manufacturers fled to *England*, where they were received with open Arms; from which Time Manufactures increased, improved, and drew Wealth from all Parts of the World. Let us then avoid the former Ignorance of *Britain*, and adopt her present Policy, in giving Protection, Countenance, and Encouragement, to Manufactures (always avoiding such as interfere with those of our Mother Country,) and to render them cheap, nothing is wanted but Experience and a thorough Knowledge of them, since the Mechanic of every Denomination, can live better for half the Money here, than another of the same Profession does in *England*, where Beef, Pork, Mutton, Veal, are on an Average Six-pence Sterling a Pound.

But, notwithstanding this, we are not without some Persons among us, who assert that we can import Manufactures cheaper than we can make them, and therefore conclude it to be our Interest to continue such Importation. But, in order to convince them of their dangerous Mistake, I will suppose a Piece of *Dutch* or *Irish* Linen costs in *Europe* Forty Shillings, which must be paid either in our Money or Produce; but if a Piece of equal Quality be our own Manufacture, and although it should cost more per Yard, it nevertheless is so much clear Gain to the Province, because the Flax and Labour of which it is composed are our own, but in the first Case neither one or the

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other;

other ; and this being equally true in all other Goods, most of which are made by Women and Children, it is therefore so much clear Gain.

But if we possessed an inhospitable Climate and sterile Soil, which refused us either the Necessaries or Conveniencies of Life, the Arguments of such Advocates for a Foreign Trade would have some Foundation to stand on; and in such Case it would be prudent in us to follow the Example of the *Dutch*, in becoming the Carriers to other Nations, and with such Gain to procure the Necessaries that we stand in need of. But as we are blessed with a Country excelled by none, and equalled but by few, our real intrinsic Wealth therefore lies in our Soil : Provisions we have enough; we ought therefore to turn our Attention to the Growth of Flax and Hemp, and they, with our other raw Materials well-manufactured, will supply all our Wants. But, instead of such Domestic Trade, which would be attended with Peace, Plenty, Happiness, and Independance on other Countries; I say, rather than do this, we chuse to ransack almost half the Globe, and often contrary to the Laws, in pursuit of such Things as we might produce in our own Country. We should not then have need to fear severe commercial Laws, for our great Trade would be interior. But, in order the better to illustrate my Meaning, I will suppose you, Sir, to be a Manufacturer in this Province, by which you have the Pleasure of employing and giving Bread to Combers, Spinners, Weavers, &c. your Affairs would all be under your Eye, and in a narrow Compass, which every wise Man would chuse. You would lead a tranquil unembarrassed Life, and could not fail of getting rich.

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I will now suppose myself a Merchant in *New-York*, with a Warehouse full of *European* Goods, which are loaded with Commissions, Freight, Insurance, and many other Charges; these Goods I sell, and, in order to make Payment, build Sloops to Trade to the *West-Indies* for Molasses; this I distill, and send the Rum to *Newfoundland*, exchange it for Fish, and send that to *Spain*, in Order from thence to make Payment to *England*. Or I send the Rum to *Africa*, and exchange it for unhappy Slaves, and send them to the Islands in order to obtain a Bill, to remit home. It does not require much Sagacity to see that all these Adventures are full of Anxiety, Risque, and Disasters, my Vessels are exposed to Hurricanes, Fish is a very perishable Commodity, and Slaves often rise on the Coast, or die in the Passage if any one of these Misfortunes happens, I am unable to pay my *British* Creditors. Now, would not any Man who will allow himself a Moment's Reflection, chuse to avoid such a precarious Profession, and embrace that of a Manufacturer, which would not only be attended with more Peace and Serenity, and a much greater Probability of Fortune too, but he would acquire great Honour, as being an Encourager of Arts, and the Author of Plenty? In short, our Conduct is not unlike that of the Butcher, who run about in Search of his Knife, when he had it in his Mouth.

To conclude, if from what has been said it appears, that we have in our Commercial Pursuits been very much mistaken, and if we chuse to continue indulging ourselves with the Luxuries, and expensive Goods of *China*, *India*, and *Europe*, only because they come from far, and at dear Rates, nothing but inevitable Ruin will be the Consequence. In order to avoid which we have no other effectual Means but that
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of becoming Manufacturers, and more especially Linen. This alone can reduce our Imports, and increase our Exports, this is the only effectual Remedy for all the Evils we labour under; and which properly encouraged will not only prevent the Seizure and Sale of our Estates, Bankruptcies, and Ruin, but it will restore Liberty, Plenty, and Happiness, to every Part of this Province, by making it so "rich, that we shall have Occasion neither of Workhouses, Hospitals, or Prisons."

